



ace usa

Office of Regulatory
Compliance
Routing WB04G
436 Walnut Street
Philadelphia, PA 19106
USA
Viola McBride
Associate Product Manager

215-640-5238 tel

viola.mcbride@acegroup.com
www.acegroup.com

August 4, 2010

Insurance Commissioner
State of Illinois
320 W. Washington Street
Springfield, Illinois 62767-0001

FILED

SEP 01 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Re: Company ACE USA #0626 NAIC#
ACE American Insurance Company 22667
Allied Health Program- Rate Filing
Our Filing Number: 10-MR-2008701

FEIN
95-2371728 ✓

Dear Commissioner:

This filing proposes to implement a 15% reduction in the base rates for ACE's Allied Health business, effective September 5, 2010.

The proposed reduction is supported by a review of ACE's Allied Health experience through Accident / Report Year 2008, evaluated as of September 30, 2009. The overall indicated rate change is the result of combining the indications from a State Specific experience review and a Countrywide experience review, and assigning the remaining credibility to an indication based on trend from the date of the last approved rate change, which was during 2008.

The rate level indication exhibits present data separately for claims made and occurrence policies. Both a paid and incurred development method are presented, and the selected ultimate loss for each year is taken to be the average of these two results.

The loss development factors are based on ACE's countrywide Allied Health triangles.
Trend factors are based on ISO's most recent review of Physicians and Surgeons data.

The permissible loss ratio was derived using standard actuarial techniques involving the selection of expense provisions and the calculation of a profit provision that contains an offset for investment income.

* Please note, the rate for Addiction Counselor - NAADAC program is remaining as-is.*

The actuarial support is presented in two files:

Allied Health - Indication
Allied Health - Profit Support

Sincerely,

Viola McBride
Viola McBride

RECEIVED
LAH - FCS

AUG 10 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

1-0
MEM
KAT
gfw
Jeh

Neuman, Gayle

From: McBride, Viola [Viola.McBride@acegroup.com]
Sent: Friday, June 24, 2011 12:49 PM
To: Neuman, Gayle
Subject: RE: ACE American Insurance Company - Rate/Rule Filing #10-MR-2008701

Dear Ms. Neuman,

The effective date was September 1, 2010.

Viola McBride
Associate Product Manager
Auto, Medical Risk, and Workers Compensation
ACE NA General Counsel
Product Line Support
510 Walnut Street, WB04G
Philadelphia, PA 19106
(215) 640-5238
viola.mcbride@acegroup.com

From: Neuman, Gayle [<mailto:Gayle.Neuman@illinois.gov>]
Sent: Wednesday, June 22, 2011 12:33 PM
To: McBride, Viola
Subject: ACE American Insurance Company - Rate/Rule Filing #10-MR-2008701

Ms. McBride,

The Department of Insurance completed its review of the filing referenced above on June 20, 2011. Originally, ACE American Insurance Company requested the filing be effective September 1, 2010. Was the filing put into effect on September 1, 2010 or do you wish to have a different effective date?

Your prompt response is appreciated.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

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August 4, 2010 **ace usa**

Insurance Commissioner
State of Illinois
320 W. Washington Street
Springfield, Illinois 62767-0001

Re:	Company	ACE USA #0626	NAIC#	FEIN
	ACE American Insurance Company		22667	95-2371728
	Allied Health Program– Rate Filing			
	Our Filing Number: 10-MR-2008701			

Office of Regulatory
Compliance
Routing WB04G
436 Walnut Street
Philadelphia, PA 19106
USA
Viola McBride
Associate Product Manager

215-640-5238 tel

viola.mcbride@acegroup.com
www.acegroup.com

RECEIVED

AUG 24 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Dear Commissioner:

This filing proposes to implement a 15% reduction in the base rates for ACE's Allied Health business, effective August 10, 2010.

The proposed reduction is supported by a review of ACE's Allied Health experience through Accident / Report Year 2008, evaluated as of September 30, 2009. The overall indicated rate change is the result of combining the indications from a State Specific experience review and a Countrywide experience review, and assigning the remaining credibility to an indication based on trend from the date of the last approved rate change, which was during 2008.

The rate level indication exhibits present data separately for claims made and occurrence policies. Both a paid and incurred development method are presented, and the selected ultimate loss for each year is taken to be the average of these two results.

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Trend factors are based on ISO's most recent review of Physicians and Surgeons data.

The permissible loss ratio was derived using standard actuarial techniques involving the selection of expense provisions and the calculation of a profit provision that contains an offset for investment income.

* Please note, the rate for Addiction Counselor – NAADAC program is remaining as-is.*

The actuarial support is presented in two files:

Allied Health – Indication
Allied Health – Profit Support

Sincerely,

Viola McBride

Viola McBride

Neuman, Gayle

From: McBride, Viola [Viola.McBride@acegroup.com]
Sent: Friday, September 03, 2010 11:19 AM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701

Dear Ms. Neuman,

We use ISO.

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Wednesday, September 01, 2010 11:40 AM
To: McBride, Viola
Subject: Filing #10-MR-2008701

Ms. McBride,

Please indicate if your company has a plan for the gathering of statistics or the reporting of statistics to statistical agencies? If yes, what stat agency is being used?

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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This email is intended for the designated recipient(s) only, and may be confidential, non-public, proprietary, protected by the attorney/client or other privilege. Unauthorized reading, distribution, copying or other use of this communication is prohibited and may be unlawful. Receipt by anyone other than the intended recipient(s) should not be deemed a waiver of any privilege or protection. If you are not the intended recipient or if you believe that you have received this email in error, please notify the sender immediately and delete all copies from your computer system without reading, saving, or using it in any manner. Although it has been checked for viruses and other malicious software ("malware"), we do not warrant, represent or guarantee in any way that this communication is free of malware or potentially damaging defects. All liability for any actual or alleged loss, damage, or injury arising out of or resulting in any way from the receipt, opening or use of this email is expressly disclaimed.

Neuman, Gayle

From: Neuman, Gayle
Sent: Wednesday, September 01, 2010 10:52 AM
To: 'McBride, Viola'
Subject: RE: Filing #10-MR-2008701

I will change the effective date to September 1, 2010.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: McBride, Viola [mailto:Viola.McBride@acegroup.com]
Sent: Wednesday, September 01, 2010 10:42 AM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701

Dear Ms. Neuman,

We have not yet used the lower rates in IL. We are requesting an effective date of September 1, 2010.

Thank you.

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Wednesday, September 01, 2010 10:31 AM
To: McBride, Viola
Subject: FW: Filing #10-MR-2008701

Ms. McBride,

Because you requested an effective date of August 10, 2010, we are assuming that Ace American started using the changes brought forth in this filing on that date. You may at any time change the effective date to a date after August 10, 2010.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

Change in Company's premium or rate level produced by rate revision effective

8/10/10

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger		
Commercial		
2. Automobile Physical Damage		
Private Passenger		
Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Medical Malpractice</u>	<u>277,570</u>	<u>-15.0</u>

Does filing only apply to certain territory (territories) or certain classes? If so, specify:

no

Brief description of filing. (If filing follows rates of an advisory organization, specify organization):

It is to implement a 15% reduction in the base rates for ACE's Allied Health business

* Adjusted to reflect all prior rate changes.

** Change in Company's premium level which will
result from application of new rates.**RECEIVED**

AUG 24 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOISACE American Insurance Company

Name of Company

Robert Reilly, Vice President

Official - Title

H29219D

Section 754.EXHIBIT A Summary Sheet (Form RF-3)

FORM (RF-3)

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision
effective 02/21/2010.

	(1) Coverage	(2) Annual Premium Volume (Illinois) *	(3) Percent Change (+or-) **
1.	Automobile Liability Private Passenger		
	Commercial		
2.	Automobile Physical Damag Private Passenger		
	Commercial		
3.	Liability Other Than Auto		
4.	Burglary and Theft		
5.	Glass		
6.	Fidelity		
7.	Surety		
8.	Boiler and Machinery		
9.	Fire		
10.	Extended Coverage		
11.	Inland Marine		
12.	Homeowners		
13.	Commercial Multi-Peril		
14.	Crop Hail		
15.	Other		
	Life of Insurance		

Does filing only apply to certain territory (territories) or certain
Classes? If so,
specify: no

Brief description of filing. (If filing follows rates of an advisory
Organization, specify
organization): It is to implement a 15% reduction in the base rates for
ACE's Allied Health business.

*Adjusted to reflect all prior rate changes.

**Change in Company's premium level which will result from application of new
rates.

ACE American Insurance Company

Name of Company

Robert J. Reilly - Vice President

Official - Title

ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Ross Bertossi, a duly authorized officer of
ACE American Insurance Company, am authorized to certify on
behalf of the Company making this filing that the company's rates are based on sound actuarial principles
and are not inconsistent with the company's experience, and that I am knowledgeable of the laws,
regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, Nanette Tingley, a duly
authorized actuary of ACE American Insurance Company, am
authorized to certify on behalf of ACE American Insurance Company
making this filing that the company's rates are based on sound actuarial principles and are not inconsistent
with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins
applicable to the policy rates that are the subject of this filing.

Ross Bertossi EVP
Signature and Title of Authorized Insurance Company Officer

09/13/10
Date

Nanette Tingley
A.C.A.S., M.A.A.A.
Vice President and Actuary
Signature, Title and Designation of Authorized Actuary

09/08/10
Date

Insurance Company FEIN 95 - 2371728

Filing Number 10-MR-2008701

Insurer's Address 436 Walnut Street

City Philadelphia

State PA

Zip Code 19106

Contact Person's

Name and E-mail Viola McBride viola.mcbride@acegroup.com

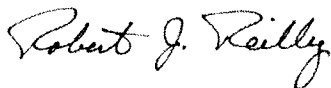
Direct Telephone and Fax Number (215) 640-5238(ph) (215) 640-4986 (fax)

ILLINOIS CERTIFICATION FOR MEDICAL MALPRACTICE RATES

(215ILCS 5/155.18)(3) states that medical liability rates shall be certified in such filing by an officer of the company and a qualified actuary that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience.

I, Robert Reilly, a duly authorized officer of ACE American Insurance Company, am authorized to certify on behalf of the Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.

I, Nanette Tingley, a duly authorized actuary of ACE American Insurance Company am authorized to certify on behalf of ACE American Insurance Company making this filing that the company's rates are based on sound actuarial principles and are not inconsistent with the company's experience, and that I am knowledgeable of the laws, regulations and bulletins applicable to the policy rates that are the subject of this filing.



Vice President

Signature and Title of Authorized Insurance Company Officer

09/08/10

Date



A.C.A.S., M.A.A.A.

Vice President and Actuary

Signature, Title and Designation of Authorized Actuary

09/08/10

Date

Insurance Company FEIN 95 - 2371728

Filing Number 10-MR-2008701

Insurer's Address 436 Walnut Street

City Philadelphia

State PA

Zip Code 19106

Contact Person's

Name and E-mail Viola McBride viola.mcbride@acegroup.com

Direct Telephone and Fax Number (215) 640-5238(ph) (215) 640-4986 (fax)

ACE American Insurance Company
Illinois
Allied Health
Actuarial Certification

1

Statement of Actuarial Opinion

215 ILCS 5/155.18

In my opinion, the rates proposed in this filing are based on sound actuarial principles and are not inconsistent with the company's experience.

Name: Nanette Tingley

Title: Vice President and Actuary

Accreditation: A.C.A.S., M.A.A.A.

Date: January 21, 2010

Signature:

Nanette Tingley

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	10-MR-2008701
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	

☐ Rate Increase

☒ Rate Decrease

☐ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)							
4a.	Rate Change by Company (As Proposed)							
	Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
	Ace American Insurance Company	-22.6%	-15%	-41,636	148	277,570	-15%	-15%
4b.	Rate Change by Company (As Accepted) For State Use Only							
	Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)

		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)		
5b.	Overall percentage rate impact for this filing		
5c.	Effect of Rate Filing – Written premium change for this program		
5d.	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	-15%
7.	Effective Date of last rate revision	
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

These pages are informational only and do not need to be submitted with your filings!

Notes for Rate/Rule Filing Transmittal

DESCRIPTION OF ITEMS IN THE RATE FILING SCHEDULE

RATE/RULE FILING SCHEDULE

1. This filing transmittal is part of Company Tracking #: This ties all of the pages of the transmittal to the same filing. It is helpful for the state.

2. This filing corresponds to form filing number: Many states require that rates and forms be submitted separately due to different review procedures that are required by law. For those states, this will tie the form filing with the associated rate filing, if there is one. **Use check boxes to indicate if this is a rate increase, a rate decrease or rate neutral.**

3. Filing Method (Prior Approval, File & Use, Flex Band, etc): This is the review method for which the filing is being submitted. See State Specific Requirements.

4. Rate Change by Company: Complete all fields for each company included in the filing.

- **Overall % Indicated Change (when applicable)** - This field is only to be completed when an actuarial indication is included in the filing submission.
- **Overall % Rate Impact** - This is the statewide average percentage change to the accepted rates for the coverages included for each company.
- **Written premium change for this program** - This is the statewide change in written premium based on the proposed overall percentage rate impact for each company.
- **# of policyholders affected for this program** - This is the number of policyholders affected by the overall percentage rate impact for each company.
- **Written premium for this program** - This is the statewide written premium for each company.
- **Maximum % Change & Minimum % Change** – This information should be completed if required by the state to which the filing is being submitted.
 - If all the policyholders get increases, then the maximum change is the largest increase and the minimum change is the smallest increase.
 - If all the policyholders get decreases, then the maximum change is the smallest decrease and the minimum change is the largest decrease.
 - If some of the policyholders get increases and others get decreases, then the maximum change is the largest increase and the minimum change is the largest decrease.

5a. Overall percentage rate indication (when applicable): These fields are only to be completed when an actuarial indication is included in the filing submission.

5b. Overall percentage rate impact for this filing: This is the statewide average percentage change to the accepted rates for the coverages included in the filing. This field only needs to be completed for group filings.

5c. Effect of Rate Filing—Written Premium Change for this program: This is the statewide change in written premium based on the proposed overall percentage rate impact. This field only needs to be completed for group filings.

5d. Effect of Rate Filing—Number of policyholders affected: This is the number of policyholders affected by the overall percentage rate impact. This field only needs to be completed for group filings.

6. Overall percentage of last rate revision: This is the statewide average of the last percentage change implemented in the state.

7. Effective Date of last rate revision: This is the implementation date of the last overall percentage rate impact.

8. Filing Method of Last Filing (Prior Approval, File & Use, Flex Band, etc): This is the review method for which the last filing was submitted. See State Specific Requirements.

9. Rule # or Page # Submitted for Review: This is the list of changes to the rate/rule manual.

To be complete a filing must include the following:

- A completed Property & Casualty Transmittal Document (PC TD-1).
- A completed Form Filing Schedule Document (PC FFS-1), when applicable. **Do not refer to the body of the filing for the forms listing, unless allowed by state.**
- A completed Rate/Rule Filing Transmittal document (PC RRFS-1), when applicable. **Do not refer to the body of the filing for the forms listing, unless allowed by state.**
- The appropriate state specific requirements.
- The appropriate filing fees, when required.
- A postage-paid, self-addressed envelope large enough to accommodate the return of acknowledgement, as required by state.
- You should refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)

RECEIVED

AUG 23 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD

August 20, 2010

Ms. Gayle Neuman
Illinois Department of Insurance

Re: ACE American Insurance Company
Our Filing Number 10-MR-2008701
Allied Health Program Rate Reduction

Dear Ms. Neuman,

Per our conversation of this date, I am returning the above-captioned filing to your attention, for review. As discussed, our filing was returned, without review, along with a Department letter outlining filing requirements for forms filings. Since our filing is a rate filing, we are re-submitting it, in its original format.

Thank you for your consideration.

Sincerely,



Viola McBride
Associate Product Manager
(215) 640-5238



Illinois Department of Insurance

PAT QUINN
Governor

MICHAEL T.
McRAITH
Director

Effective January 1, 2006 insurers will have two different ways to make policy form filings. The new requirements are outlined in 50 Illinois Administrative Code 916 which is available on the Illinois Department of Financial and Professional Regulation Website under Insurance. Your filing is being returned for the following reason/s:

The filing must be submitted on a CD. There is no need to send a paper copy of the filing.

- 1) You must use the software provided on the Division of Insurance website to create the universal transmittal. To download the software for the Universal Transmittal go to the Division of Insurance website, www.idfpr.com / Division of Insurance / Industry / Regulatory Filings / Universal Transmittal Document software (in the table of contents).
- 2) Section 15 of the transmittal must include a company officer's electronic signature.
- 3) In section 6 of the transmittal, each Company tracking number must be unique to the company submitting the filing. Please limit the number of characters of the company tracking number, (the number 6 on the Universal transmittal) to less than 14 alphabetical characters or numeric characters. (Hyphens are acceptable in the tracking number)
- 4) ~~A text file of the universal transmittal is not included in this filing.~~ (A text file is exported by using the export button at the bottom of page one where you complete the transmittal.) (The text file will have the extension, txt)
- 5) ~~The text file of your transmittal is corrupt. You must delete the software currently on your computer used to create the transmittal. You must reinstall the software on your computer.~~
- 6) The Universal Transmittal Document in Adobe Acrobat PDF format is required (generate PDF button, bottom of pg 1)
- 7) Section 17 must be completed for a rate filing you must use the drop down box and include the association information.
- 8) ~~There is no information on the CD submitted to the Department.~~
- 9) Outline of coverage, rates, advertising, and forms must each be on a separate filing transmittal. (submit one transmittal/filing per CD)
- 10) Column 4, of Section 16 of the transmittal must be left blank for this filing. (the column titled Replaced Form Number/Previous State Filing number)

PLEASE SEE NEXT PAGE

- 11) Section 3 of the transmittal must include your NAIC group # if the company doesn't have an NAIC group # enter four zeroes.
- 12) Section 3 of the transmittal the drop down for state of domicile must be used.
- 13) Informational filings must include previously approved filing and form information. The filing numbers and form numbers must be accurate.
- 14) The information in section 14 of the transmittal must be deleted, please type "see attached" in section 14.
- 15) Section 16 of the transmittal must be corrected. You must enter the document name. You must use the drop down box to give a description of the form being submitted for review. The drop down box is accessed by clicking on the arrow just below each number. Select the most appropriate description of the form being submitted for review.

These are the minimum four items to be submitted for each filing:

- 1) Cover Letter or Letter of Submission – Adobe Acrobat PDF.
- 2) Each form(s) submitted for approval in should be in a separate PDF file – Adobe Acrobat PDF
- 3) Universal Transmittal Document – Adobe Acrobat PDF
- 4) Universal Transmittal Document – Text Version created within software supplied.

Please title each PDF for easy identification. Such as cover letter, form number, and transmittals.

For questions regarding this report please contact Cheryl Turnbull at (217) 785-7348 or email your questions to Cheryl.Turnbull@illinois.gov.

ACE American Insurance Company
Allied Health Professional & General Liability
Explanatory Memorandum

- The purpose of this filing is to reduce our currently approved Allied Health rates by 15%.
- Our last Allied Health rate filing was approved in your state on 4/15/09 under our filing number 08-MR-2007652.
- We respectfully request that the proposed rates be implemented for all business effective on and after the earliest possible date of acknowledgement or approval.
- Revised Manual Pages –
Allied Health Professional & General Liability
General Rules – AH-8, AH-9 Edition 12/2009

RATE/RULE FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes rate-related items such as Rate; Rule; Rate & Rule; Reference; Loss Cost; Loss Cost & Rule or Rate, etc.)

(Do not refer to the body of the filing for the component/exhibit listing, unless allowed by state.)

1.	This filing transmittal is part of Company Tracking #	10-MR-2008701
2.	This filing corresponds to form filing number (Company tracking number of form filing, if applicable)	

☐ Rate Increase☒ Rate Decrease☐ Rate Neutral (0%)

3.	Filing Method (Prior Approval, File & Use, Flex Band, etc.)						
4a.	Rate Change by Company (As Proposed)						
Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change (where required)	Minimum % Change (where required)
Ace American Insurance Company	-22.6%	-15%	-41,636	148	277,570	-15%	-15%
4b.	Rate Change by Company (As Accepted) For State Use Only						
Company Name	Overall % Indicated Change (when applicable)	Overall % Rate Impact	Written premium change for this program	# of policyholders affected for this program	Written premium for this program	Maximum % Change	Minimum % Change

5. Overall Rate Information (Complete for Multiple Company Filings only)			
		COMPANY USE	STATE USE
5a.	Overall percentage rate indication (when applicable)		
5b.	Overall percentage rate impact for this filing		
5c.	Effect of Rate Filing – Written premium change for this program		
5d.	Effect of Rate Filing – Number of policyholders affected		

6.	Overall percentage of last rate revision	-15%
7.	Effective Date of last rate revision	
8.	Filing Method of Last filing (Prior Approval, File & Use, Flex Band, etc.)	

9.	Rule # or Page # Submitted for Review	Replacement or Withdrawn?	Previous state filing number, if required by state
01		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
02		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	
03		<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	

Neuman, Gayle

From: McBride, Viola [Viola.McBride@acegroup.com]
Sent: Tuesday, August 24, 2010 1:15 PM
To: Neuman, Gayle
Subject: Filing 10-MR-2008701
Attachments: IL RF3-rev.DOC; cover letter080410-rev.doc

Dear Ms. Neuman,

Per our conversation of this date, attached are revised cover letter and IL RF-3, which reflect the 08/10/10 eff.date. Thank you so much for your patience.

Viola McBride
Associate Product Manager
ACE NA General Counsel
Product Line Support
510 Walnut Street, WB04G
Philadelphia, PA 19106
(215) 640-5238
viola.mcbride@acegroup.com

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Neuman, Gayle

From: McBride, Viola [Viola.McBride@acegroup.com]
Sent: Tuesday, August 24, 2010 9:53 AM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701
Attachments: IL RF3.DOC; cover letter.doc

Dear Ms. Neuman,

Attached are copies of the documents, as per our original intent. Thanks.

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, August 24, 2010 10:14 AM
To: McBride, Viola
Subject: RE: Filing #10-MR-2008701

Ms. McBride,

The RF-3 indicates an effective date of 2/21/10. The cover letter for this filing indicates an effective date of September 5, 2010. Please clarify. If the effective date on the cover letter is correct, please correct the RF-3 and provide a copy of the revision.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: McBride, Viola [mailto:Viola.McBride@acegroup.com]
Sent: Tuesday, August 24, 2010 9:05 AM
To: Neuman, Gayle
Subject: FW: Filing #10-MR-2008701

From: McBride, Viola
Sent: Tuesday, August 24, 2010 9:20 AM
To: 'Neuman, Gayle'
Subject: RE: Filing #10-MR-2008701

Dear Ms. Neuman,

Attached are copies of the requested materials. We apologize for any inconvenience caused.

Viola McBride
Associate Product Manager
(215) 640-5238

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Monday, August 23, 2010 4:25 PM
To: McBride, Viola
Subject: Filing #10-MR-2008701

Ms. McBride,

I am in receipt of the above referenced filing. The RF-3 Summary Sheet was not completed although provided. You must indicate the Illinois premium amount written and -15% on line 15.

Additionally, you must provide a copy of the manual pages and a copy of the previous manual pages showing the changes that are being made in this filing.

I request receipt of your response by August 30, 2010.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

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ace usa

August 4, 2010

Insurance Commissioner
State of Illinois

Office of Regulatory
Compliance
Routing WB04G
436 Walnut Street
Philadelphia, PA 19106
USA

Viola McBride
Associate Product Manager

215-640-5238 tel

viola.mcbride@acegroup.com
www.acegroup.com

Re:	Company	ACE USA #0626	NAIC#	FEIN
	ACE American Insurance Company		22667	95-2371728
	Allied Health Program- Rate Filing			
	Our Filing Number: 10-MR-2008701			

Dear Commissioner:

This filing proposes to implement a 15% reduction in the base rates for ACE's Allied Health business, effective January 15, 2010.

The proposed reduction is supported by a review of ACE's Allied Health experience through Accident / Report Year 2008, evaluated as of September 30, 2009. The overall indicated rate change is the result of combining the indications from a State Specific experience review and a Countrywide experience review, and assigning the remaining credibility to an indication based on trend from the date of the last approved rate change, which was during 2008.

The rate level indication exhibits present data separately for claims made and occurrence policies. Both a paid and incurred development method are presented, and the selected ultimate loss for each year is taken to be the average of these two results.

The loss development factors are based on ACE's countrywide Allied Health triangles.
Trend factors are based on ISO's most recent review of Physicians and Surgeons data.

The permissible loss ratio was derived using standard actuarial techniques involving the selection of expense provisions and the calculation of a profit provision that contains an offset for investment income.

* Please note, the rate for Addiction Counselor - NAADAC program is remaining as-is.*

The actuarial support is presented in two files:

Allied Health - Indication
Allied Health - Profit Support

Sincerely,

Viola McBride

Form (RF-3)

SUMMARY SHEET

Change in Company's premium or rate level produced by rate revision effective

1/15/10

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger		
Commercial		
2. Automobile Physical Damage		
Private Passenger		
Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Medical Malpractice</u>	<u>277,570</u>	<u>-15.0</u>

Does filing only apply to certain territory (territories) or certain classes? If so, specify:

no

Brief description of filing. (If filing follows rates of an advisory organization, specify organization):

It is to implement a 15% reduction in the base rates for ACE's Allied Health business

* Adjusted to reflect all prior rate changes.

** Change in Company's premium level which will result from application of new rates.

ACE American Insurance Company

Name of Company

Robert Reilly, Vice President

Official - Title

H29219D

RECEIVED

AUG 24 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

Change in Company's premium or rate level produced by rate revision effective

2/21/10

(1) Coverage	(2) Annual Premium Volume (Illinois)*	(3) Percent Change (+ or -)**
1. Automobile Liability Private Passenger		
Commercial		
2. Automobile Physical Damage		
Private Passenger		
Commercial		
3. Liability Other Than Auto		
4. Burglary and Theft		
5. Glass		
6. Fidelity		
7. Surety		
8. Boiler and Machinery		
9. Fire		
10. Extended Coverage		
11. Inland Marine		
12. Homeowners		
13. Commercial Multi-Peril		
14. Crop Hail		
15. Other <u>Medical Malpractice</u>	<u>277,570</u>	<u>-15.0</u>

Does filing only apply to certain territory (territories) or certain classes? If so, specify:

no

Brief description of filing. (If filing follows rates of an advisory organization, specify organization):

It is to implement a 15% reduction in the base rates for ACE's Allied Health business

* Adjusted to reflect all prior rate changes.

** Change in Company's premium level which will result from application of new rates.

ACE American Insurance Company

Name of Company

Robert Reilly, Vice President

Official - Title

RECEIVED

AUG 24 2010

STATE OF ILLINOIS
DEPARTMENT OF INSURANCE
SPRINGFIELD, ILLINOIS

H29219D

A 5% credit shall be applied to policies marketed through electronic commerce distribution channels.

XVI. Rates
Table I

Professional Classification	Professional Rate	Student Rate
Addiction Counselor (NAADAC Program) (1)	169	21
Addiction Counselor (Non-NAADAC) (2)	368 313	24 18
Addiction Interventionist	490 417	N/A N/A
Administrative/Clerical	110 94	37 31
All other Aide, Assistant, or Technician	264 224	88 75
Art, Music, Dance, Pet, and Recreation Therapist (2)	264 224	N/A N/A
Audiologist	264 224	88 75
Auricular & Full Body Acupuncture Therapy and Counseling	736 626	243 207
Auricular Acupuncture Therapy and Counseling	368 313	122 104
Behavioral Analyst	368 313	24 18
Blood Bank Technician	264 224	88 75
Cardiology Technician	264 224	88 75
Case Workers and Case Manager (2)	368 313	122 104
Certified Employee Assistance Professional	283 241	24 18
Certified Tech./ Assistant	264 224	88 75
Companion	128 109	43 37
Cytotechnologist	264 224	88 75
Dental Assistant	111 94	37 31
Dental Hygienist	264 224	88 75
Dialysis Technician	264 224	88 75
Dietician/Nutritionist	264 224	88 75
EKG/EEG Technician	264 224	88 75
Health Educator (2)	264 224	88 75
Home Health Aide	170 145	57 48
Homemaker	128 109	43 37
Intern Mental Health/Addiction Counselor	264 224	NA N/A
Lab Technician	264 224	88 75
Licensed or Certified Mental Health Counselor (2)	368 313	24 18
LPN	264 224	88 75
Marriage and Family Therapists/Counselor (2)	368 313	24 18
Massage Therapist	490 417	163 139
Medical Office Assistant	111 94	37 31
Medical Records Technician	264 224	88 75
Medical Technologist	264 224	88 75
MRI Technician	264 224	88 75
Nurse Aide	153 130	51 43
Nurse Practitioner	1063 904	354 301
Nurse/RN	298 253	99 84
Occupational Therapist	340 289	113 96
Paramedics/EMTs (Eligible for Students Only)	N/A N/A	170 145
Pastoral Counselor	368 313	N/A N/A
Pathology Assistant	264 224	88 75
Patient Intake Technician	111 94	N/A N/A
Personal Coach	368 313	N/A N/A
Pharmacist (Mail Order, Nuclear)	638 542	213 181
Pharmacist (Non-Mail Order – Non-Nuclear)	510 434	170 145

A 5% credit shall be applied to policies marketed through electronic commerce distribution channels.

**XVI. Rates
Table I**

Professional Classification	Professional Rate	Student Rate
Addiction Counselor (NAADAC Program) (1)	169	21
Addiction Counselor (Non-NAADAC) (2)	313	18
Addiction Interventionist	417	N/A
Administrative/Clerical	94	31
All other Aide, Assistant, or Technician	224	75
Art, Music, Dance, Pet, and Recreation Therapist (2)	224	N/A
Audiologist	224	75
Auricular & Full Body Acupuncture Therapy and Counseling	626	207
Auricular Acupuncture Therapy and Counseling	313	104
Behavioral Analyst	313	18
Blood Bank Technician	224	75
Cardiology Technician	224	75
Case Workers and Case Manager (2)	313	104
Certified Employee Assistance Professional	241	18
Certified Tech./ Assistant	224	75
Companion	109	37
Cytotechnologist	224	75
Dental Assistant	94	31
Dental Hygienist	224	75
Dialysis Technician	224	75
Dietician/Nutritionist	224	75
EKG/EEG Technician	224	75
Health Educator (2)	224	75
Home Health Aide	145	48
Homemaker	109	37
Intern Mental Health/Addiction Counselor	224	N/A
Lab Technician	224	75
Licensed or Certified Mental Health Counselor (2)	313	18
LPN	224	75
Marriage and Family Therapists/Counselor (2)	313	18
Massage Therapist	417	139
Medical Office Assistant	94	31
Medical Records Technician	224	75
Medical Technologist	224	75
MRI Technician	224	75
Nurse Aide	130	43
Nurse Practitioner	904	301
Nurse/RN	253	84
Occupational Therapist	289	96
Paramedics/EMTs (Eligible for Students Only)	N/A	145
Pastoral Counselor	313	N/A
Pathology Assistant	224	75
Patient Intake Technician	94	N/A
Personal Coach	313	N/A
Pharmacist (Mail Order, Nuclear)	542	181
Pharmacist (Non-Mail Order – Non-Nuclear)	434	145

Pharmacy Assistant	170 145	57 48
Pharmacy Technician (Dispensing)	255 217	85 72
Phlebotomist	264 224	88 75
Physical Therapist	490 417	163 139
Physician's Assistant	N/A N/A	567 482
Psychological Assistant (Masters Degree) (2)	490 417	N/A N/A
Psychologist (Bachelors or Masters Degree) (2)	1063 904	N/A N/A
Psychologist (Doctorate Degree)	1063 904	Post Doctoral 264 224
Radiological Technologist	264 224	88 75
Rehabilitation Counselor/Therapist	368 313	21 18
Rehabilitation Counselor/Therapist Assistant	264 224	N/A N/A
Respiratory Assistant	264 224	88 75
Respiratory Therapist	510 434	170 145
Social Worker (2)	368 313	21 18
Speech Therapist (2)	340 289	113 96
Surgical Assistant	N/A N/A	567 482
Surgical Technologist	264 224	88 75
Surgical Technologist/First Assistant	264 224	88 75
Ultrasound Technician	264 224	88 75
Utilization Review Technician (2)	368 313	N/A N/A
Volunteer	111 94	N/A N/A
Wellness Counselor (2)	368 313	21 18
X-Ray Machine Operator/Technician	264 224	88 75

Note 1.

Certified Members of the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) are to be written in conjunction with the Behavioral Health Purchasing Group with the rate shown in Table I for limits of \$ 1,000,000 Per Professional Incident / \$ 3,000,000 Aggregate. This rate contemplates coverage for individuals who have been NCAC certified as members of NAADAC. The only Optional Coverages under Section XIV offered for these members are the Entity Coverage Extension, the Additional Insured Endorsement and Claims Made Coverage.

Note 2.

A credit of up to 50% applies to individuals who receive primary professional liability coverage from their employer.

Table II

Allied Health Professional Liability Rate Table – Optometrists/Opticians		
Basic Limits - \$1,000,000 / \$1,000,000		
Professional Classification	Professional Rate	Student Rate
Optometrists	354 300	118 100
Opticians	249 212	83 71

Pharmacy Assistant	145	48
Pharmacy Technician (Dispensing)	217	72
Phlebotomist	224	75
Physical Therapist	417	139
Physician's Assistant	N/A	482
Psychological Assistant (Masters Degree) (2)	417	N/A
Psychologist (Bachelors or Masters Degree) (2)	904	N/A
Psychologist (Doctorate Degree)	904	Post Doctoral 224
Radiological Technologist	224	75
Rehabilitation Counselor/Therapist	313	18
Rehabilitation Counselor/Therapist Assistant	224	N/A
Respiratory Assistant	224	75
Respiratory Therapist	434	145
Social Worker (2)	313	18
Speech Therapist (2)	289	96
Surgical Assistant	N/A	482
Surgical Technologist	224	75
Surgical Technologist/First Assistant	224	75
Ultrasound Technician	224	75
Utilization Review Technician (2)	313	N/A
Volunteer	94	N/A
Wellness Counselor (2)	313	18
X-Ray Machine Operator/Technician	224	75

Note 1. Certified Members of the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) are to be written in conjunction with the Behavioral Health Purchasing Group with the rate shown in Table I for limits of \$ 1,000,000 Per Professional Incident / \$ 3,000,000 Aggregate. This rate contemplates coverage for individuals who have been NCAC certified as members of NAADAC. The only Optional Coverages under Section XIV offered for these members are the Entity Coverage Extension, the Additional Insured Endorsement and Claims Made Coverage.

Note 2. A credit of up to 50% applies to individuals who receive primary professional liability coverage from their employer.

Table II

Allied Health Professional Liability Rate Table – Optometrists/Opticians		
Basic Limits - \$1,000,000 / \$1,000,000		
Professional Classification	Professional Rate	Student Rate
Optometrists	300	100
Opticians	212	71

Neuman, Gayle

From: McBride, Viola [Viola.McBride@acegroup.com]
Sent: Wednesday, September 01, 2010 8:27 AM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701
Attachments: CW Manual IL redlined.DOC; CW Manual IL final.DOC

Dear Ms. Neuman,

Attached are the final and redlined versions of our manual. There were no changes made to the surcharge section. We apologize for the confusion, and thank you for your patience.

Sincerely,

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, August 31, 2010 11:56 AM
To: McBride, Viola
Subject: RE: Filing #10-MR-2008701

Ms. McBride,

On August 23, 2010, I requested you provide a copy of the manual pages and a copy of the previous manual pages showing the changes being made in this filing. You provided me with a copy of pages 8 and 9. I then advised you that you needed to provide a copy of the entire manual as all information on the previous page 10 was now on page 9, and that information previously on page 8 (sections G and H) would be lost.

In just quickly reviewing your new page 7 upon receipt today, I can see changes made to the surcharge section. These changes have not been disclosed to the Department in this filing. I am asking one last time for Ace American to provide information about all changes being made with this filing. Any changes that are not disclosed will not be allowed.

I request receipt of your response by September 1, 2010.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: McBride, Viola [mailto:Viola.McBride@acegroup.com]
Sent: Monday, August 30, 2010 3:29 PM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701

Dear Ms. Neuman,

Attached is the manual. Thank you.

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, August 27, 2010 10:05 AM
To: McBride, Viola
Subject: Filing #10-MR-2008701

Ms. McBride,

In this filing, you only submitted pages 8 and 9 of the manual for changes. In reviewing the manual filed effective April 15, 2009, paragraphs G and H of Section XV were listed on page 8. Please confirm that these paragraphs have been removed from the manual. If they are not to be removed, page 8 must be changed. Additionally, you have page AH-10 which should be removed – it appears you need to reprint all pages of this manual.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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I. APPLICATION OF MANUAL

- A. The rules contained in these pages govern the writing of Professional and General Liability policies for Allied Health professionals.
- B. The rules, rates, rating plans and forms filed on behalf of the Company, and not in conflict herewith, will govern in all cases not specifically provided for herein.

II. POLICY TERM

- A. Policies may be written for a term of one year and renewed annually thereafter.

Coverage may be extended for a period not to exceed sixty (60) days beyond expiration date, subject to the consent of the Company and the rates and forms in effect for the expiring policy term. Premiums for this extension shall be calculated on a pro-rata basis.

Coverage may be renewed, subject to the consent of the Company, for additional periods by payment of a premium calculated according to the company's rates, rules and forms in effect at the time of renewal.

III. PREMIUM COMPUTATION

- A. Premiums at policy inception will be computed using rules, rates and rating plan in effect at that time.
- B. When a policy is issued for other than a whole year, the premiums will be computed on a pro-rata basis.

IV. FACTORS OR MULTIPLIERS

Unless otherwise noted, factors or multipliers are to be applied consecutively, as opposed to being added together.

V. POLICY WRITING MINIMUM PREMIUM

No policy minimum premium applies.

VI. WHOLE DOLLAR RULE

- A. The premium for each peril, coverage or exposure for which a separate premium is calculated will be rounded to the nearest whole dollar as follows:
 - 1. Any value involving \$.50 or more will be rounded up to the next highest whole dollar amount.
 - 2. Any value involving \$.49 or less will be rounded down to the next lowest whole dollar amount.

VII. ADDITIONAL PREMIUM CHARGES

- A. All coverage changes or additions involving additional premiums will be pro-rated based upon the effective date of the change.
- B. The rates and rules that were in effect at the inception date of the policy period are to be used in all additional premium calculations.
- C. Additional premiums of \$24 or less may be waived. This waiver only applies to charges due on the effective date of change endorsements.

VIII. RETURN PREMIUMS

- A. Deletion of any coverage other than an optional coverage is not permitted unless the entire policy is cancelled.
- B. Return premiums are computed using rates in effect at the policy inception.
- C. Return premiums are computed pro rata and rounded in accordance with the whole dollar rule when any coverage or exposure is deleted, or an amount of insurance is reduced.

IX. POLICY CANCELLATIONS

- A. This policy may be canceled flat by the Insured within 60 days of the effective date. Evidence of such cancellation must be received by the Company within the 60-day period.
- B. Any cancellation initiated by the Company more than 60 days from inception will be computed on a pro-rata basis.
- C. Cancellation initiated by the Insured will be computed pro rata less a penalty of 10% unless the same coverage is rewritten by the Company, in which case no penalty shall be applied.

X. COVERAGE

- A. Professional Liability is available on an occurrence or claims made basis.
- B. General Liability is provided on an occurrence or claims made basis.

XI. ELIGIBILITY

Rate Tables I and II under Section XVI. of these rules list the categories of service providers that are eligible for coverage.

The following additional eligibility/rating criteria apply to entities:

1. Entities with more than 75 full time equivalent employees will be written on a Refer to Company basis.

XII. LIMITS OF LIABILITY

A. The rates displayed in Rate Tables I and II under Section XVI. are to be treated as follows:

1. Table I provides Professional Liability rates for all allied health professionals, other than Optometrists and Opticians, for limits of \$1,000,000/\$3,000,000.

The table below provides the Differential Limits Factors used in calculating Professional Liability rates for other optional limits below \$1,000,000/\$3,000,000. For Differential Limits Factors for limits above \$1,000,000/\$3,000,000, refer to company for the factor to be used.

Aggregate	25	100	200	250	500	1,000
75	0.395					
300		0.632				
500				0.752	0.822	
600			0.712			
750				0.758	0.830	
1,000					0.834	0.944
3,000						1.000

2. Table II provides Professional Liability rates for Optometrists and Opticians for limits of \$1,000,000/\$1,000,000.

The table below provides the Differential Limits Factors used in calculating Professional Liability rates for other optional limits up to \$1,000,000/\$3,000,000. For Differential Limits Factors for limits above \$1,000,000/\$3,000,000, refer to company for the factor to be used.

Per Professional Incident (000) / Aggregate	
100 / 300	0.449
200 / 600	0.590
250 / 750	0.638
300 / 800	0.682
400 / 900	0.760
500 / 1,000	0.816
1,000 / 1,000	1.000
1,000 / 2,000	1.010
1,000 / 3,000	1.020

XIII. DEDUCTIBLE

The basic Allied Health Professional Liability policy has no deductible.

For firms or entities, the following deductible options may be selected, and the insured is responsible for the entire amount of each loss up to the selected deductible amount.

Deductible eroded by Indemnity	Factor
\$2,500	.975
\$ 5,000	.950
\$10,000	.925
\$15,000	.900
\$20,000	.875
\$25,000	.850

ACE AMERICAN INSURANCE COMPANY

Edition

Deductible eroded by Indemnity	Factor
Over \$25,000	Refer to Company

Deductible eroded by Indemnity and Other Payments	Factor
\$2,500	0.968
\$ 5,000	0.935
\$10,000	0.903
\$15,000	0.870
\$20,000	0.838
\$25,000	0.805
Over \$25,000	Refer to Company

XIV. OPTIONAL COVERAGES

A. Additional Insured

An additional insured may be added to the policy for a charge of \$250, with the exception of certified members of the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) as defined in Note 1 under Rate Table 1 of Section XVI of these rules. For certified members of NAADAC the additional insured charge is \$50. Such additional insureds may include clinics, hospitals, etc., to which the insured may be contracted.

Lessors may be added to the policy as an additional insured at no additional premium. (All other additional insureds must be referred to the Company for underwriting.)

Additional insureds as described in this section will be added on a shared limits basis.

B. General Liability

General Liability is available for an additional premium. The occurrence General Liability premium is calculated at 10% of the mature claims made professional liability premium at the same limit of liability. If the General Liability coverage is provided on a claims made basis then the premium must be calculated as the occurrence premium multiplied by the appropriate step factor. The premium for other limits will be rated on a refer to company basis. Entities (Organizations including Corporations, Partnership, Joint Venture, Trust or Limited Liability Company) are subject to a minimum charge of \$250.

If General Liability coverage is purchased, then Employee Benefits Liability coverage is available at no additional premium.

Insureds that purchase General Liability may obtain coverage for Certified Acts of Terrorism, as defined in the Terrorism Risk Insurance Act of 2002, for an additional premium charge of up to 5% of the otherwise applicable General Liability premium.

C. Non-Owned Automobile Liability

This coverage option is available for entities only. The premium is calculated by multiplying the applicable rate by the total number of employees. The rates for the available limits options (000) are shown in the table below, along with the minimum premiums applicable to this coverage option.

	\$250/\$250	\$500/\$500	\$1,000/\$1,000	\$1,000/\$3,000
Per Employee Charge	\$14	\$16	\$18	\$20

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Minimum Premium	\$250	\$500	\$1,000	\$1,000
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D. Claims Made Coverage

The following rating procedures apply to professional liability written on a claims made basis:

1. Determine the applicable occurrence premium.
2. Determine the retroactive date. If the date goes back 5 years or more, the Mature Claims-Made Factor from the Claims Made Step Factor table should be applied to the premium developed in 1. above.

Note: The retroactive date may be advanced only at the request of the insured or with the insured's written acknowledgement.

3. If the allied health professional is just entering practice, has been continuously insured under an occurrence policy or if no prior acts coverage is being provided, select the year 1 claims made factor from the Claims Made Step Factor table and apply it to the occurrence premium determined in 1. above.
4. If the allied health professional has been insured under a claims made policy for one or more years immediately preceding the effective date of the policy to be issued, and prior acts coverage is being provided, the following procedure will apply:
 - a. Determine the number of years in which the allied health professional has been insured under a claims made policy;
 - b. The number determined in a. above will be the "prior years of exposure". Fractional years of 6 months or more will be rounded up to the next higher year; less than 6 months will be rounded down to the next lower year.
 - c. The selection from the Claims Made Step Factor table is made by adding one year to the "prior years of exposure" developed in a. and b. above. The additional year is to account for the new policy to be issued.
 - d. The applicable factor in the Claims Made Step Factor **table** is to be applied to the premium developed in 1. above.

TABLE OF CLAIMS-MADE STEP FACTORS

YEARS	STEP FACTORS
YEAR 1	.55
YEAR 2	.69
YEAR 3	.82
YEAR 4	.91
YEAR 5 OR MORE (Mature)	1.00

E. Extended Reporting Period Coverage

An extended reporting period may be provided for up to an unlimited basis, subject to the following:

1. Except as described in 6. below, the extended reporting period is available only if the policy is cancelled or nonrenewed by either the company or the insured.

2. The insured must notify us in writing of his or her election of the extended reporting period within 60 days of the effective date of termination of the policy.
3. Any earned premium due on the policy and the premium for the extended reporting period must be paid in full before the extended reporting period will be effective.
4. The entire premium for the extended reporting period will be deemed earned when the extended reporting period begins.
5. The premium for the extended reporting period will be developed by applying the appropriate factor from the table below to the mature claims made premium for Coverage A otherwise developed for the risk based on the rates and rules in effect on the date the policy was last renewed or last issued:

Claims-Made Year	Length of ERP (Years)				
	If Claims made GL coverage is included only the 5 year or unlimited period is allowable.				
	1	2	3	5	Unlimited
1	0.278	0.428	0.533	0.556	0.579
2	0.424	0.676	0.824	0.847	0.870
3	0.539	0.843	0.995	1.019	1.042
4+	0.602	0.915	1.071	1.095	1.119

6. The premium for the extended reporting period will be waived if the insured is an individual and:
 - i. Dies or becomes totally and permanently disabled during the policy period; or
 - ii. Retires, if at least age 55 and insured for professional liability by us for 5 or more continuous years.

If the insured returns to the practice of his or her professional services after retirement or after a period of total and permanent disability and after the issuance of the extended reporting period Endorsement and premium waiver, the extended endorsement will be cancelled unless the insured contacts us within 30 days to request an extended reporting period without waiver of premium and pays the appropriate extended reporting period premium developed from the rates, rules and rating plans in effect for us at the time of the insured's retirement or disability.

7. The Professional liability extended reporting period does not increase or reinstate the limits of liability. If General Liability Coverage is also required for the extended reporting period, then reinstatement must be provided.

F. Leave of Absence

Subject to Company underwriting approval, coverage under an in-force policy may be suspended for a period of not less than 30 days, and not more than six months. This suspension may be made without premium adjustment. The expiration of the policy is extended by the same length of time that the policy was suspended. This feature can be used for a parental leave, medical leave, military call-up to active duty, or a sabbatical.

XV. PREMIUM CALCULATION RULES

A. Base Rates.

The premium for this policy is calculated on a "per professional" basis. The base rates will be applied in accordance with the allied health professional specialty as shown in Tables I and II of Section XVI. If two or more classifications apply to the same professional, the highest rated classification is to be used.

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B. Base Rate Adjustments.

1. Part Time. A part-time base rate adjustment factor of .50 will apply to any individual allied health professional who is self-employed and works 16 hours or less per week.

C. Surcharges

Category	Surcharge	Rationale
Supplemental Staffing	A surcharge of up to 25% will apply to entities or individuals engaged in supplemental staffing.	On a sliding scale based upon % of exposure
Registry	A registry surcharge of up to 25% will apply to entities or individuals that do registry services.	On a sliding scale based upon % of exposure
Background Check	A surcharge of up to 10% will apply to entities or individuals not performing background checks on their employees and independent contractors.	No surcharge if background checks adequately performed 5% surcharge if performed randomly 10% if no checks performed
Nursing Homes / Assisted Living Centers / Long Term Care Facilities / Prisons	A surcharge of up to 25% will apply to entities or individuals that do staffing of Nursing Home Facilities, Assisted Living Centers, Long Term Care Facilities, or Prisons.	On a sliding scale based upon % of exposure
High Tech / Critical Care	A surcharge of up to 25% will apply to entities or individuals engaged in high tech / critical care services, including Surgical, Pediatric, Infusion Therapy, and Tracheotomy/Ventilator Care.	N/A

The surcharges shown above are additive if more than one applies, subject to a maximum surcharge of 65%.

D. Full Time Equivalent (FTE).

For all types of risks other than individuals and students, calculate the number of applicable FTEs as follows:

In accordance with the professional rate classifications, sum the total annual hours worked for each classification. Divide each of these totals by classification by 2000 hours (one Full Time Equivalent) to establish the number of FTE slots to be charged for each classification. Fractions of FTE slots per applicable classification grouping will be rounded up to the next highest FTE.

E. Schedule Rating

The schedule rating credit or debit will be equal to the sum of the selected credits or debits given for each of the individual risk characteristics shown in the table below, subject to a maximum credit or debit of 25%.

Characteristic	Max Credit	Max Debit
Claims History	25%	25%
Risk Management	20%	20%
Nature of Operations	15%	15%

F. Territorial Multiplier

Apply the territorial multiplier shown in the state exception pages. Select the territorial multiplier

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associated with the territory in which the individual works.

G. Entity Rating Factor

An entity rating factor of up to 1.20 will apply to all entities (Organizations including Corporations, Partnership, Joint Venture, Trust or Limited Liability Company) in addition to any other rating factors that apply, subject to a minimum charge of \$1,000. This rating rule is applied after the application of the increased limits factor but before any other rating factors. This rating rule also applies to student blanket policies.

H. Internet Discount

A 5% credit shall be applied to policies marketed through electronic commerce distribution channels.

XVI. Rates

Table I

Professional Classification	Professional Rate	Student Rate
Addiction Counselor (NAADAC Program) (1)	169	21
Addiction Counselor (Non-NAADAC) (2)	368 313	21 18
Addiction Interventionist	490 417	N/A
Administrative/Clerical	110 94	37 31
All other Aide, Assistant, or Technician	264 224	88 75
Art, Music, Dance, Pet, and Recreation Therapist (2)	264 224	N/A
Audiologist	264 224	88 75
Auricular & Full Body Acupuncture Therapy and Counseling	736 626	243 207
Auricular Acupuncture Therapy and Counseling	368 313	122 104
Behavioral Analyst	368 313	21 18
Blood Bank Technician	264 224	88 75
Cardiology Technician	264 224	88 75
Case Workers and Case Manager (2)	368 313	122 104
Certified Employee Assistance Professional	283 241	21 18
Certified Tech./ Assistant	264 224	88 75
Companion	128 109	43 37
Cytotechnologist	264 224	88 75
Dental Assistant	111 94	37 31
Dental Hygienist	264 224	88 75
Dialysis Technician	264 224	88 75
Dietician/Nutritionist	264 224	88 75
EKG/EEG Technician	264 224	88 75
Health Educator (2)	264 224	88 75
Home Health Aide	170 145	57 48
Homemaker	128 109	43 37
Intern Mental Health/Addiction Counselor	264 224	NA
Lab Technician	264 224	88 75
Licensed or Certified Mental Health Counselor (2)	368 313	21 18
LPN	264 224	88 75
Marriage and Family Therapists/Counselor (2)	368 313	21 18
Massage Therapist	490 417	163 139
Medical Office Assistant	111 94	37 31
Medical Records Technician	264 224	88 75
Medical Technologist	264 224	88 75

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Professional Classification	Professional Rate	Student Rate
MRI Technician	264 224	88 75
Nurse Aide	153 130	51 43
Nurse Practitioner	1063 904	354 301
Nurse/RN	298 253	99 84
Occupational Therapist	340 289	113 96
Paramedics/EMTs (Eligible for Students Only)	N/A	170 145
Pastoral Counselor	368 313	N/A
Pathology Assistant	264 224	88 75
Patient Intake Technician	111 94	N/A
Personal Coach	368 313	N/A
Pharmacist (Mail Order, Nuclear)	638 542	213 181
Pharmacist (Non-Mail Order – Non-Nuclear)	510 434	170 145
Pharmacy Assistant	170 145	57 48
Pharmacy Technician (Dispensing)	255 217	85 72
Phlebotomist	264 224	88 75
Physical Therapist	490 417	163 139
Physician's Assistant	N/A	567 482
Psychological Assistant (Masters Degree) (2)	490 417	N/A
Psychologist (Bachelors or Masters Degree) (2)	1063 904	N/A
Psychologist (Doctorate Degree)	1063 904	Post Doctoral 264 224
Radiological Technologist	264 224	88 75
Rehabilitation Counselor/Therapist	368 313	21 18
Rehabilitation Counselor/Therapist Assistant	264 224	N/A
Respiratory Assistant	264 224	88 75
Respiratory Therapist	510 434	170 145
Social Worker (2)	368 313	21 18
Speech Therapist (2)	340 289	113 96
Surgical Assistant	N/A	567 482
Surgical Technologist	264 224	88 75
Surgical Technologist/First Assistant	264 224	88 75
Ultrasound Technician	264 224	88 75
Utilization Review Technician (2)	368 313	N/A
Volunteer	111 94	N/A
Wellness Counselor (2)	368 313	21 18
X-Ray Machine Operator/Technician	264 224	88 75

Note 1.

Certified Members of the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) are to be written in conjunction with the Behavioral Health Purchasing Group with the rate shown in Table I for limits of \$ 1,000,000 Per Professional Incident / \$ 3,000,000 Aggregate. This rate contemplates coverage for individuals who have been NCAC certified as members of NAADAC. The only Optional Coverages under Section XIV offered for these members are the Entity Coverage Extension, the Additional Insured Endorsement and Claims Made Coverage.

Note 2.

A credit of up to 50% applies to individuals who receive primary professional liability coverage from their employer.

Table II

Allied Health Professional Liability Rate Table – Optometrists/Opticians		
Basic Limits - \$1,000,000 / \$1,000,000		
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Professional Classification	Professional Rate	Student Rate
Optometrists	354 300	118 100
Opticians	249 212	83 71

Neuman, Gayle

From: McBride, Viola [Viola.McBride@acegroup.com]
Sent: Monday, August 30, 2010 3:29 PM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701
Attachments: 2010 CW Manual.doc

Dear Ms. Neuman,

Attached is the manual. Thank you.

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, August 27, 2010 10:05 AM
To: McBride, Viola
Subject: Filing #10-MR-2008701

Ms. McBride,

In this filing, you only submitted pages 8 and 9 of the manual for changes. In reviewing the manual filed effective April 15, 2009, paragraphs G and H of Section XV were listed on page 8. Please confirm that these paragraphs have been removed from the manual. If they are not to be removed, page 8 must be changed. Additionally, you have page AH-10 which should be removed -- it appears you need to reprint all pages of this manual.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

Please refer to the Property & Casualty Review Checklists before submitting any filing. The checklists can be accessed through the Department's website at www.insurance.illinois.gov.

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C. Surcharges

Category	Surcharge
Supplemental Staffing	A surcharge of up to 25% will apply to entities or individuals engaged in supplemental staffing.
Registry	A registry surcharge of up to 25% will apply to entities or individuals that do registry services.
Background Check	A surcharge of up to 10% will apply to entities or individuals not performing background checks on their employees and independent contractors.
Nursing Homes / Assisted Living Centers / Long Term Care Facilities / Prisons	A surcharge of up to 25% will apply to entities or individuals that do staffing of Nursing Home Facilities, Assisted Living Centers, Long Term Care Facilities, or Prisons.
High Tech / Critical Care	A surcharge of up to 25% will apply to entities or individuals engaged in high tech / critical care services, including Surgical, Pediatric, Infusion Therapy, and Tracheotomy/Ventilator Care.

The surcharges shown above are additive if more than one applies, subject to a maximum surcharge of 65%.

D. Full Time Equivalent (FTE).

For all types of risks other than individuals and students, calculate the number of applicable FTEs as follows:

In accordance with the professional rate classifications, sum the total annual hours worked for each classification. Divide each of these totals by classification by 2000 hours (one Full Time Equivalent) to establish the number of FTE slots to be charged for each classification. Fractions of FTE slots per applicable classification grouping will be rounded up to the next highest FTE.

E. Schedule Rating

The schedule rating credit or debit will be equal to the sum of the selected credits or debits given for each of the individual risk characteristics shown in the table below, subject to a maximum credit or debit of 25%.

Characteristic	Max Credit	Max Debit
Claims History	25%	25%
Risk Management	20%	20%
Nature of Operations	15%	15%

F. Territorial Multiplier

Apply the territorial multiplier shown in the state exception pages. Select the territorial multiplier associated with the territory in which the individual works.

G. Entity Rating Factor

An entity rating factor of up to 1.20 will apply to all entities (Organizations including Corporations, Partnership, Joint Venture, Trust or Limited Liability Company) in addition to any other rating factors that apply, subject to a minimum charge of \$1,000. This rating rule is applied after the application of the increased limits factor but before any other rating factors. This rating rule also applies to student blanket policies.

H. Internet Discount

Neuman, Gayle

From: Neuman, Gayle
Sent: Wednesday, September 01, 2010 9:31 AM
To: 'McBride, Viola'
Subject: FW: Filing #10-MR-2008701

Ms. McBride,

Because you requested an effective date of August 10, 2010, we are assuming that Ace American started using the changes brought forth in this filing on that date. You may at any time change the effective date to a date after August 10, 2010.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: Neuman, Gayle
Sent: Wednesday, September 01, 2010 9:08 AM
To: 'McBride, Viola'
Subject: RE: Filing #10-MR-2008701

Ms. McBride,

Just for clarification purposes, please review page 7 of the manual you e-mailed on August 30, 2010. The "Rationale" section of the chart on page AH-7 was deleted. I see it has been added back in your e-mail of September 1, 2010.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: McBride, Viola [mailto:Viola.McBride@acegroup.com]
Sent: Wednesday, September 01, 2010 8:27 AM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701

Dear Ms. Neuman,

Attached are the final and redlined versions of our manual. There were no changes made to the surcharge section. We apologize for the confusion, and thank you for your patience.

Sincerely,

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Tuesday, August 31, 2010 11:56 AM
To: McBride, Viola
Subject: RE: Filing #10-MR-2008701

Ms. McBride,

On August 23, 2010, I requested you provide a copy of the manual pages and a copy of the previous manual pages showing the changes being made in this filing. You provided me with a copy of pages 8 and 9. I then advised you that you needed to provide a copy of the entire manual as all information on the previous page 10 was now on page 9, and that information previously on page 8 (sections G and H) would be lost.

In just quickly reviewing your new page 7 upon receipt today, I can see changes made to the surcharge section. These changes have not been disclosed to the Department in this filing. I am asking one last time for Ace American to provide information about all changes being made with this filing. Any changes that are not disclosed will not be allowed.

I request receipt of your response by September 1, 2010.

Gayle Neuman

Illinois Department of Insurance
(217)524-6497

From: McBride, Viola [mailto:Viola.McBride@acegroup.com]
Sent: Monday, August 30, 2010 3:29 PM
To: Neuman, Gayle
Subject: RE: Filing #10-MR-2008701

Dear Ms. Neuman,

Attached is the manual. Thank you.

Viola McBride

From: Neuman, Gayle [mailto:Gayle.Neuman@illinois.gov]
Sent: Friday, August 27, 2010 10:05 AM
To: McBride, Viola
Subject: Filing #10-MR-2008701

Ms. McBride,

In this filing, you only submitted pages 8 and 9 of the manual for changes. In reviewing the manual filed effective April 15, 2009, paragraphs G and H of Section XV were listed on page 8. Please confirm that these paragraphs have been removed from the manual. If they are not to be removed, page 8 must be changed. Additionally, you have page AH-10 which should be removed – it appears you need to reprint all pages of this manual.

Gayle Neuman

Illinois Department of Insurance
Property & Casualty Compliance
(217) 524-6497

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I. APPLICATION OF MANUAL

- A. The rules contained in these pages govern the writing of Professional and General Liability policies for Allied Health professionals.
- B. The rules, rates, rating plans and forms filed on behalf of the Company, and not in conflict herewith, will govern in all cases not specifically provided for herein.

II. POLICY TERM

- A. Policies may be written for a term of one year and renewed annually thereafter.

Coverage may be extended for a period not to exceed sixty (60) days beyond expiration date, subject to the consent of the Company and the rates and forms in effect for the expiring policy term. Premiums for this extension shall be calculated on a pro-rata basis.

Coverage may be renewed, subject to the consent of the Company, for additional periods by payment of a premium calculated according to the company's rates, rules and forms in effect at the time of renewal.

III. PREMIUM COMPUTATION

- A. Premiums at policy inception will be computed using rules, rates and rating plan in effect at that time.
- B. When a policy is issued for other than a whole year, the premiums will be computed on a pro-rata basis.

IV. FACTORS OR MULTIPLIERS

Unless otherwise noted, factors or multipliers are to be applied consecutively, as opposed to being added together.

V. POLICY WRITING MINIMUM PREMIUM

No policy minimum premium applies.

VI. WHOLE DOLLAR RULE

- A. The premium for each peril, coverage or exposure for which a separate premium is calculated will be rounded to the nearest whole dollar as follows:
 - 1. Any value involving \$.50 or more will be rounded up to the next highest whole dollar amount.
 - 2. Any value involving \$.49 or less will be rounded down to the next lowest whole dollar amount.

VII. ADDITIONAL PREMIUM CHARGES

- A. All coverage changes or additions involving additional premiums will be pro-rated based upon the effective date of the change.
- B. The rates and rules that were in effect at the inception date of the policy period are to be used in all additional premium calculations.
- C. Additional premiums of \$24 or less may be waived. This waiver only applies to charges due on the effective date of change endorsements.

VIII. RETURN PREMIUMS

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- A. Deletion of any coverage other than an optional coverage is not permitted unless the entire policy is cancelled.
- B. Return premiums are computed using rates in effect at the policy inception.
- C. Return premiums are computed pro rata and rounded in accordance with the whole dollar rule when any coverage or exposure is deleted, or an amount of insurance is reduced.

IX. POLICY CANCELLATIONS

- A. This policy may be canceled flat by the Insured within 60 days of the effective date. Evidence of such cancellation must be received by the Company within the 60-day period.
- B. Any cancellation initiated by the Company more than 60 days from inception will be computed on a pro-rata basis.
- C. Cancellation initiated by the Insured will be computed pro rata less a penalty of 10% unless the same coverage is rewritten by the Company, in which case no penalty shall be applied.

X. COVERAGE

- A. Professional Liability is available on an occurrence or claims made basis.
- B. General Liability is provided on an occurrence or claims made basis.

XI. ELIGIBILITY

Rate Tables I and II under Section XVI. of these rules list the categories of service providers that are eligible for coverage.

The following additional eligibility/rating criteria apply to entities:

- 1. Entities with more than 75 full time equivalent employees will be written on a Refer to Company basis.

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SPRINGFIELD, ILLINOIS**

XII. LIMITS OF LIABILITY

A. The rates displayed in Rate Tables I and II under Section XVI. are to be treated as follows:

1. Table I provides Professional Liability rates for all allied health professionals, other than Optometrists and Opticians, for limits of \$1,000,000/\$3,000,000.

The table below provides the Differential Limits Factors used in calculating Professional Liability rates for other optional limits below \$1,000,000/\$3,000,000. For Differential Limits Factors for limits above \$1,000,000/\$3,000,000, refer to company for the factor to be used.

Aggregate	25	100	200	250	500	1,000
75	0.395					
300		0.632				
500				0.752	0.822	
600			0.712			
750				0.758	0.830	
1,000					0.834	0.944
3,000						1.000

2. Table II provides Professional Liability rates for Optometrists and Opticians for limits of \$1,000,000/\$1,000,000.

The table below provides the Differential Limits Factors used in calculating Professional Liability rates for other optional limits up to \$1,000,000/\$3,000,000. For Differential Limits Factors for limits above \$1,000,000/\$3,000,000, refer to company for the factor to be used.

Per Professional Incident (000) / Aggregate	
100 / 300	0.449
200 / 600	0.590
250 / 750	0.638
300 / 800	0.682
400 / 900	0.760
500 / 1,000	0.816
1,000 / 1,000	1.000
1,000 / 2,000	1.010
1,000 / 3,000	1.020

XIII. DEDUCTIBLE

The basic Allied Health Professional Liability policy has no deductible.

For firms or entities, the following deductible options may be selected, and the insured is responsible for the entire amount of each loss up to the selected deductible amount.

Deductible eroded by Indemnity	Factor
\$2,500	.975
\$ 5,000	.950
\$10,000	.925
\$15,000	.900
\$20,000	.875
\$25,000	.850
Over \$25,000	Refer to Company

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SPRINGFIELD, ILLINOIS

Deductible eroded by Indemnity and Other Payments	Factor
\$2,500	0.968
\$ 5,000	0.935
\$10,000	0.903
\$15,000	0.870
\$20,000	0.838
\$25,000	0.805
Over \$25,000	Refer to Company

XIV. OPTIONAL COVERAGES

A. Additional Insured

An additional insured may be added to the policy for a charge of \$250, with the exception of certified members of the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) as defined in Note 1 under Rate Table 1 of Section XVI of these rules. For certified members of NAADAC the additional insured charge is \$50. Such additional insureds may include clinics, hospitals, etc., to which the insured may be contracted.

Lessors may be added to the policy as an additional insured at no additional premium. (All other additional insureds must be referred to the Company for underwriting.)

Additional insureds as described in this section will be added on a shared limits basis.

B. General Liability

General Liability is available for an additional premium. The occurrence General Liability premium is calculated at 10% of the mature claims made professional liability premium at the same limit of liability. If the General Liability coverage is provided on a claims made basis then the premium must be calculated as the occurrence premium multiplied by the appropriate step factor. The premium for other limits will be rated on a refer to company basis. Entities (Organizations including Corporations, Partnership, Joint Venture, Trust or Limited Liability Company) are subject to a minimum charge of \$250.

If General Liability coverage is purchased, then Employee Benefits Liability coverage is available at no additional premium.

Insureds that purchase General Liability may obtain coverage for Certified Acts of Terrorism, as defined in the Terrorism Risk Insurance Act of 2002, for an additional premium charge of up to 5% of the otherwise applicable General Liability premium.

C. Non-Owned Automobile Liability

This coverage option is available for entities only. The premium is calculated by multiplying the applicable rate by the total number of employees. The rates for the available limits options (000) are shown in the table below, along with the minimum premiums applicable to this coverage option.

	\$250/\$250	\$500/\$500	\$1,000/\$1,000	\$1,000/\$3,000
Per Employee Charge	\$14	\$16	\$18	\$20
Minimum Premium	\$250	\$500	\$1,000	\$1,000

D. Claims Made Coverage

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The following rating procedures apply to professional liability written on a claims made basis:

1. Determine the applicable occurrence premium.
2. Determine the retroactive date. If the date goes back 5 years or more, the Mature Claims-Made Factor from the Claims Made Step Factor table should be applied to the premium developed in 1. above.

Note: The retroactive date may be advanced only at the request of the insured or with the insured's written acknowledgement.

3. If the allied health professional is just entering practice, has been continuously insured under an occurrence policy or if no prior acts coverage is being provided, select the year 1 claims made factor from the Claims Made Step Factor table and apply it to the occurrence premium determined in 1. above.
4. If the allied health professional has been insured under a claims made policy for one or more years immediately preceding the effective date of the policy to be issued, and prior acts coverage is being provided, the following procedure will apply:
 - a. Determine the number of years in which the allied health professional has been insured under a claims made policy;
 - b. The number determined in a. above will be the "prior years of exposure". Fractional years of 6 months or more will be rounded up to the next higher year; less than 6 months will be rounded down to the next lower year.
 - c. The selection from the Claims Made Step Factor table is made by adding one year to the "prior years of exposure" developed in a. and b. above. The additional year is to account for the new policy to be issued.
 - d. The applicable factor in the Claims Made Step Factor **table** is to be applied to the premium developed in 1. above.

TABLE OF CLAIMS-MADE STEP FACTORS

YEARS	STEP FACTORS
YEAR 1	.55
YEAR 2	.69
YEAR 3	.82
YEAR 4	.91
YEAR 5 OR MORE (Mature)	1.00

E. Extended Reporting Period Coverage

An extended reporting period may be provided for up to an unlimited basis, subject to the following:

1. Except as described in 6. below, the extended reporting period is available only if the policy is cancelled or nonrenewed by either the company or the insured.
2. The insured must notify us in writing of his or her election of the extended reporting period within 60 days of the effective date of termination of the policy.
3. Any earned premium due on the policy and the premium for the extended reporting period must be paid in full before the extended reporting period will be effective.

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4. The entire premium for the extended reporting period will be deemed earned when the extended reporting period begins.
5. The premium for the extended reporting period will be developed by applying the appropriate factor from the table below to the mature claims made premium for Coverage A otherwise developed for the risk based on the rates and rules in effect on the date the policy was last renewed or last issued:

Claims-Made Year	Length of ERP (Years)				
	If Claims made GL coverage is included only the 5 year or unlimited period is allowable.				
	1	2	3	5	Unlimited
1	0.278	0.428	0.533	0.556	0.579
2	0.424	0.676	0.824	0.847	0.870
3	0.539	0.843	0.995	1.019	1.042
4+	0.602	0.915	1.071	1.095	1.119

6. The premium for the extended reporting period will be waived if the insured is an individual and:
 - i. Dies or becomes totally and permanently disabled during the policy period; or
 - ii. Retires, if at least age 55 and insured for professional liability by us for 5 or more continuous years.

If the insured returns to the practice of his or her professional services after retirement or after a period of total and permanent disability and after the issuance of the extended reporting period Endorsement and premium waiver, the extended endorsement will be cancelled unless the insured contacts us within 30 days to request an extended reporting period without waiver of premium and pays the appropriate extended reporting period premium developed from the rates, rules and rating plans in effect for us at the time of the insured's retirement or disability.

7. The Professional liability extended reporting period does not increase or reinstate the limits of liability. If General Liability Coverage is also required for the extended reporting period, then reinstatement must be provided.

F. Leave of Absence

Subject to Company underwriting approval, coverage under an in-force policy may be suspended for a period of not less than 30 days, and not more than six months. This suspension may be made without premium adjustment. The expiration of the policy is extended by the same length of time that the policy was suspended. This feature can be used for a parental leave, medical leave, military call-up to active duty, or a sabbatical.

XV. PREMIUM CALCULATION RULES

A. Base Rates.

The premium for this policy is calculated on a "per professional" basis. The base rates will be applied in accordance with the allied health professional specialty as shown in Tables I and II of Section XVI. If two or more classifications apply to the same professional, the highest rated classification is to be used.

B. Base Rate Adjustments.

1. Part Time. A part-time base rate adjustment factor of .50 will apply to any individual allied health professional who is self-employed and works 16 hours or less per week.

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C. Surcharges

Service Category	Surcharge	
Supplemental Staffing	A surcharge as indicated below shall apply to entities or individuals engaged in the service category listed based upon the percentage of exposure generated by such:	
	Surcharge applicable	Percentage of Exposure in the category
	No surcharge	Less than 10% of revenues
	5%	≥10% but <15%
	10%	≥15% but <20%
	15%	≥ 20% but <30%
	20%	≥ 30% but <40%
	25%	Greater than 40%
Background Check	A surcharge as indicated below shall apply to entities or individuals based upon the background checks on prospective employees	
	Surcharge applicable	Percentage of Exposure in the category
	No surcharge	Background check completed on all prospective employees at the county and state level
	10%	Background check not completed on prospective employees
Registry	A surcharge as indicated below shall apply to entities or individuals engaged in the service category listed based upon the percentage of exposure generated by such:	
	Surcharge applicable	Percentage of Exposure in the category
	No surcharge	Less than 10%
	5%	≥10% but <15%
	10%	≥15% but <20%
	15%	≥ 20% but <30%
	20%	≥ 30% but <40%
	25%	Greater than 40%
Nursing Homes, Assisted Living Centers, Long Term Care Facilities, Prisons	A surcharge as indicated below shall apply to entities or individuals that do staffing in the service category listed based upon the percentage of exposure generated by such:	
	Surcharge applicable	Percentage of Exposure in the category
	No surcharge	Less than 10%
	5%	≥10% but <15%
	10%	≥15% but <20%
	15%	≥ 20% but <30%
	20%	≥ 30% but <40%
	25%	Greater than 40%
High Tech / Critical Care	A surcharge as indicated below shall apply to entities or individuals engaged in high tech / critical care services, including Surgical,	

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	Pediatric, Infusion Therapy and Tracheotomy/Ventilator Care:	
	Surcharge applicable	Percentage of Exposure in the category
	No surcharge	Less than 10%
	5%	≥10% but <15%
	10%	≥15% but <20%
	15%	≥ 20% but <30%
	20%	≥ 30% but <40%
	25%	Greater than 40%

The surcharges shown above are additive if more than one applies, subject to a maximum surcharge of 65%.

D. Full Time Equivalent (FTE).

For all types of risks other than individuals and students, calculate the number of applicable FTEs as follows:

In accordance with the professional rate classifications, sum the total annual hours worked for each classification. Divide each of these totals by classification by 2000 hours (one Full Time Equivalent) to establish the number of FTE slots to be charged for each classification. Fractions of FTE slots per applicable classification grouping will be rounded up to the next highest FTE.

E. Schedule Rating

The schedule rating credit or debit will be equal to the sum of the selected credits or debits given for each of the individual risk characteristics shown in the table below, subject to a maximum credit or debit of 25%.

Characteristic	Max Credit	Max Debit
Claims History	25%	25%
Risk Management	20%	20%
Nature of Operations	15%	15%

F. Territorial Multiplier

Apply the territorial multiplier shown in the state exception pages. Select the territorial multiplier associated with the territory in which the individual works.

G. Entity Rating Factor

An entity rating factor of up to 1.20 will apply to all entities (Organizations including Corporations, Partnership, Joint Venture, Trust or Limited Liability Company) in addition to any other rating factors that apply, subject to a minimum charge of \$1,000. This rating rule is applied after the application of the increased limits factor but before any other rating factors. This rating rule also applies to student blanket policies.

H. Internet Discount

A 5% credit shall be applied to policies marketed through electronic commerce distribution channels.

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XVI. Rates

Table I

Professional Classification	Professional Rate	Student Rate
Addiction Counselor (NAADAC Program) (1)	169	21
Addiction Counselor (Non-NAADAC) (2)	313	18
Addiction Interventionist	417	N/A
Administrative/Clerical	94	31
All other Aide, Assistant, or Technician	224	75
Art, Music, Dance, Pet, and Recreation Therapist (2)	224	N/A
Audiologist	224	75
Auricular & Full Body Acupuncture Therapy and Counseling	626	207
Auricular Acupuncture Therapy and Counseling	313	104
Behavioral Analyst	313	18
Blood Bank Technician	224	75
Cardiology Technician	224	75
Case Workers and Case Manager (2)	313	104
Certified Employee Assistance Professional	241	18
Certified Tech./ Assistant	224	75
Companion	109	37
Cytotechnologist	224	75
Dental Assistant	94	31
Dental Hygienist	224	75
Dialysis Technician	224	75
Dietician/Nutritionist	224	75
EKG/EEG Technician	224	75
Health Educator (2)	224	75
Home Health Aide	145	48
Homemaker	109	37
Intern Mental Health/Addiction Counselor	224	NA
Lab Technician	224	75
Licensed or Certified Mental Health Counselor (2)	313	18
LPN	224	75
Marriage and Family Therapists/Counselor (2)	313	18
Massage Therapist	417	139
Medical Office Assistant	94	31
Medical Records Technician	224	75
Medical Technologist	224	75
MRI Technician	224	75
Nurse Aide	130	43
Nurse Practitioner	904	301
Nurse/RN	253	84
Occupational Therapist	289	96
Paramedics/EMTs (Eligible for Students Only)	N/A	145
Pastoral Counselor	313	N/A
Pathology Assistant	224	75
Patient Intake Technician	94	N/A
Personal Coach	313	N/A
Pharmacist (Mail Order, Nuclear)	542	181
Pharmacist (Non-Mail Order – Non-Nuclear)	434	145
Pharmacy Assistant	145	48
Pharmacy Technician (Dispensing)	217	72

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Professional Classification	Professional Rate	Student Rate
Phlebotomist	224	75
Physical Therapist	417	139
Physician's Assistant	N/A	482
Psychological Assistant (Masters Degree) (2)	417	N/A
Psychologist (Bachelors or Masters Degree) (2)	904	N/A
Psychologist (Doctorate Degree)	904	Post Doctoral 224
Radiological Technologist	224	75
Rehabilitation Counselor/Therapist	313	18
Rehabilitation Counselor/Therapist Assistant	224	N/A
Respiratory Assistant	224	75
Respiratory Therapist	434	145
Social Worker (2)	313	18
Speech Therapist (2)	289	96
Surgical Assistant	N/A	482
Surgical Technologist	224	75
Surgical Technologist/First Assistant	224	75
Ultrasound Technician	224	75
Utilization Review Technician (2)	313	N/A
Volunteer	94	N/A
Wellness Counselor (2)	313	18
X-Ray Machine Operator/Technician	224	75

Note 1. Certified Members of the National Association of Alcoholism and Drug Abuse Counselors (NAADAC) are to be written in conjunction with the Behavioral Health Purchasing Group with the rate shown in Table I for limits of \$ 1,000,000 Per Professional Incident / \$ 3,000,000 Aggregate. This rate contemplates coverage for individuals who have been NCAC certified as members of NAADAC. The only Optional Coverages under Section XIV offered for these members are the Entity Coverage Extension, the Additional Insured Endorsement and Claims Made Coverage.

Note 2. A credit of up to 50% applies to individuals who receive primary professional liability coverage from their employer.

Table II

Allied Health Professional Liability Rate Table – Optometrists/Opticians		
Basic Limits - \$1,000,000 / \$1,000,000		
Professional Classification	Professional Rate	Student Rate
Optometrists	300	100
Opticians	212	71

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